

# A DAY IN THE LIFE OF COOPERATIVE AMERICA



A PROJECT OF THE NATIONAL CO-OP MONTH COMMITTEE





# COOPERATIVE PRINCIPLES

*Cooperatives follow seven internationally recognized principles as adopted in 1995 by the International Cooperative Alliance. The National Cooperative Business Association lists these as:*

1. **VOLUNTARY AND OPEN MEMBERSHIP** Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.
2. **DEMOCRATIC MEMBER CONTROL** Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.
3. **MEMBER ECONOMIC PARTICIPATION** Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. They usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.
4. **AUTONOMY AND INDEPENDENCE** Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.
5. **EDUCATION, TRAINING AND INFORMATION** Cooperatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives. They inform the general public—particularly young people and opinion leaders—about the nature and benefits of cooperation.
6. **COOPERATION AMONG COOPERATIVES** Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.
7. **CONCERN FOR COMMUNITY** While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

# WELCOME TO COOPERATIVE AMERICA

Every minute of every day cooperatives are impacting the lives of Americans. Because this unique form of private enterprise is a powerful economic force, we have created this publication to celebrate its importance to our nation.

*A Day in the Life of Cooperative America* was first published in 1994 to both describe the diversity of cooperatives and celebrate the 150th anniversary of the Rochdale Pioneers, the 28 workers in England who formed the first successful cooperative in 1844. From that humble beginning has grown a business model replicated across our country—and around the world.

Though cooperatives are embraced globally, their common characteristic of democratic control speaks to the American spirit. Participation in cooperatives allows people from all walks of life to reap the benefits of a joint endeavor while maintaining the independence we so cherish in the United States.

The following is a new version of *A Day in the Life of Cooperative America* for your education and enjoyment. Read on to learn what happens in a day in the life of cooperative America.

PAUL HAZEN

President and Chief Executive Officer  
National Cooperative Business Association

*On behalf of the National Co-op Month Committee*

# A DAY IN THE LIFE OF COOPERATIVE AMERICA

A PROJECT OF THE NATIONAL CO-OP MONTH COMMITTEE

By

DONNA FOSTER ABERNATHY

With Contributions By

NANCY JORGENSEN • PATRICIA MILLER

Graphic Design

TRIANGLE PARK CREATIVE,  
SHELLY DAHN, JOHN SEYMOUR-ANDERSON

# ACKNOWLEDGMENTS

The author gratefully acknowledges the staff of the National Cooperative Business Association for their support and assistance in the research and development of this project.

The Co-op Month Committee would like to thank all of the people who contributed to the Co-op Month fund and greatly acknowledges the support of:

*Credit Union National Association*

*Farm Credit Council*

*National Association of Federal Credit Unions*

*NCB*

*National Cooperative Business Association*

*National Cooperative Grocers Association*

*National Council of Farmer Cooperatives*

*National Farmers Union*

*National Milk Producers Federation*

*National Rural Electric Cooperative Association*

*National Rural Telecommunications Cooperative*

*National Rural Utilities Cooperative*

*Finance Cooperation*

*National Telecommunications*

*Cooperative Association*

*World Council of Credit Unions*

The Co-op Month Committee would also like to thank the hundreds of others who contributed time, effort and money to Co-op Month 2008.

## ***Special Note to Readers of A Day in the Life of Cooperative America Regarding Research on Cooperative Business***

As the 2008 edition of A Day in the Life goes to print, the University of Wisconsin Center for Cooperatives in Madison, Wisconsin, awaits final approval on Phase I of their landmark research project on the economic impact cooperative businesses have on the U.S. economy. In addition to conducting an accurate census of co-ops in America, the research measures direct, indirect and implied employment and a variety of economic impacts including revenue, assets and members—all designed to gauge the real value of cooperatives.

Through the efforts of the National Cooperative Business Association (NCBA), funding of \$1.5 million was secured in both public (grants from the United States Department of Agriculture) and private sources.

Other donors for the research include:

*The Blooming Prairie Foundation*

*CHS Inc.*

*The CHS Foundation*

*The Cooperative Foundation*

*Federated Youth Foundation*

*MSI Fund-CDS*

*NCB*

*National Cooperative Services Corporation*

*National Rural Utilities Cooperative Finance Corporation*

*National Rural Electric Cooperative Association*

*The University of Wisconsin*

The University of Wisconsin can report preliminary results as of press time. We now know that there are more than 28,000 different co-ops operating in more than 45,000 different establishments or locations throughout the country. These cooperatives collectively account for over a trillion dollars in total assets. For updated information on this ongoing project, please visit [www.go.coop](http://www.go.coop).

# TABLE OF CONTENTS

Cooperative Principles . . . . . 3

Welcome to Cooperative America . . . . . 5

Acknowledgments/Sponsors. . . . . 6

Introduction . . . . . 8

Chapter 1 . . . . . AGRICULTURE . . . . . 10

Chapter 2 . . . . . CREDIT UNIONS . . . . . 12

Chapter 3 . . . . . WORKER-OWNED . . . . . 14

Chapter 4 . . . . . HEALTH CARE . . . . . 16

Chapter 5 . . . . . HOUSING . . . . . 18

Chapter 6 . . . . . FOOD . . . . . 20

Chapter 7 . . . . . PURCHASING . . . . . 22

Chapter 8 . . . . . FINANCE & INSURANCE . . . . . 24

Chapter 9 . . . . . ELECTRIC . . . . . 26

Chapter 10. . . . . EDUCATION & CHILD CARE . . . . . 28

Chapter 11. . . . . TELECOMMUNICATIONS & TECHNOLOGY . . . . . 30

Sources. . . . . 32

Photo Credits. . . . . 34

# INTRODUCTION



*Cooperative connections are everywhere. Even the muffin you ate for breakfast probably began as wheat marketed by a farmer-owned grain elevator.*

Cooperatives are as American as baseball and apple pie. Though the modern cooperative wasn't established until 1844, Ben Franklin got the member-owned business ball rolling in this country as early as 1752. Borrowing a British business model, he convinced some neighbors to join him in forming an insurance company owned by its policyholders. And the idea caught on.

Today, cooperatives, or co-ops, are an everyday part of life in the United States. These businesses are a powerful economic force, distinctive because they are owned and controlled by the people who use their products or services—and also share in the profits.

## **Living in a Co-op World**

U.S. cooperatives serve some 130 million members, or about half of all Americans. But nearly everyone experiences a daily co-op connection. Wherever you live, work or shop, it's likely a cooperative is involved.

Just stopping by Starbucks to pick up java and a cranberry muffin to enjoy with your morning newspaper can involve a multitude of co-ops. That premium Sumatra Siborong-Borog coffee was purchased from a grower co-op in Indonesia. The flour in the muffin probably started as wheat from a farmer-owned grain elevator cooperative in the Midwest, and the cranberries might be from Ocean Spray, a producer-owned co-op. The Associated



Press, a news purchasing co-op, likely provided some of the big headlines you read in your newspaper.

For many, the word co-op conjures images of a New York City apartment or a farm scene. But the cooperative way of doing business has a strong foothold across the American landscape, representing a broad cross-section of people and industries.

- Native Alaskans living within the Arctic Circle as well as retirees in sunny Florida receive electric and telecommunications services through cooperatives.
- Almost one in three Americans are members of a credit union, which is a cooperative.
- American businesses such as homebuilders, hospitals and even hamburger makers purchase supplies cooperatively.
- From preschool through college, students are having their educations enriched by cooperative schools as well as member-controlled businesses such as bookstores.
- Artists as well as artichoke farmers sell their products through co-ops.
- Members of worker-owned co-ops run the gamut from Web site designers in New Orleans to taxi drivers in Madison, Wis.

### Backing Popular Brands

Cooperatives are behind some of the best-known names in America. Producer co-ops make powerhouse brands such as Cabot cheese, Blue Diamond almonds and Welch's grape juice. Insurance giant Nationwide and outdoor equipment retailer REI are member-owned businesses.

That Taco Bell lunch has a cooperative link, too. Many fast-food chain franchisees acquire their ingredients through a purchasing co-op. Ace and True Value hardware retailers and Carpet One store owners secure their inventory the same way.

Almost anything you eat has co-op roots. For instance, virtually every restaurant serving of butter was made in a plant owned by dairy farmers. The same is true of the cheese that topped your burger or pizza.

Speaking of food, chances are good that the main ingredient in that all-American apple pie was grown by—you guessed it—members of a producer co-op.

With cooperatives making such a significant mark on the everyday lives of Americans, maybe it's time to revise that well-known jingle to: "Baseball, hot dogs, apple pie...and the co-op way!"



*Cab drivers are among the diverse members of worker-owned cooperatives in the United States.*

## TYPES OF COOPERATIVES

**Consumer Cooperatives** are owned by the people who buy the goods or use the services of the cooperative.

**Producer Cooperatives** are owned by people who produce similar types of products and collectively market them to improve their incomes.

**Worker-Owned Cooperatives** are owned and governed by the employees of the business.

**Purchasing/Shared Services Cooperatives** are owned and governed by independent business owners and government agencies that band together to enhance their purchasing power.

# BEHIND THE BRANDS



*Some of the nation's most popular grocery brands—including dairy case favorite Land O'Lakes—are the products of farmer-owned cooperatives.*

***Sabra Townsend is planning a memorable Thanksgiving meal for family and friends.***

The Indianapolis wife and mother has spent weeks creating a tantalizing menu. As the holiday approaches, she heads into her neighborhood supermarket clutching an extensive shopping list.

Traveling down the store aisles, she fills her cart with Sunkist citrus, Blue Diamond almonds, American Crystal sugar and Riceland rice—brands she's come to know and trust. What she probably doesn't realize is that these items, as well as many

more supermarket favorites, are the products of farmer-owned cooperatives.

About 30 percent of all farmers' products in the United States are marketed through more than 3,000 producer-owned cooperatives. These farmers are maximizing the value of what they produce by controlling vertically-integrated companies that transport, process, package and market their products. That includes developing some of the nation's best-loved grocery store icons such as the distinctive maiden gracing Land O'Lakes butter packages and the familiar dark-haired woman designating Sun-Maid products.

### Familiar Names

Some of the biggest names in the cooperative world are represented on supermarket shelves. Popular salad dressing brand, Hidden Valley, is among the many consumer foods marketed by CHS Inc., the nation's largest cooperative and a Fortune 500 company. The co-op is owned by farmers, ranchers and other cooperatives from the Great Lakes to the Pacific Northwest and from the Canadian border to Texas. The 19,500 members of Dairy Farmers of America are behind Borden, the best-known dairy brand in the United States.

Producer-owned brand names are in every section of the supermarket. At the dairy case, Sabra reaches for Organic Valley milk for her Thanksgiving meal. The brand is owned by cooperative members such as Pennsylvanian Kore Yoder, a 13th generation farmer. She also selects Cabot Cheddar cheese, a product of New England-based Cabot Creamery. The co-op is owned by 1,350 dairy farm families, including Kenny and Bev Robinson of St. Johnsbury, Vt.

### From Orange Juice to Cranberries

The Florida's Natural orange juice she chooses is a product marketed by Florida's Natural Growers, one of the largest citrus juice sellers in the U.S. owned by 1,000 farmers who harvest from more than 50,000 acres of citrus groves.

And what's Thanksgiving without cranberries? Sabra selects Ocean Spray, a brand owned by 750 cranberry and grapefruit growers.

Beyond these famous brands, many other items stocking retailer shelves have a co-op connection. Cooperatives often package their products under store brands or sell them to other companies for marketing. For instance, most of the Cheddar cheese and butter sold in stores is manufactured by an American cooperative. And even Sabra's Thanksgiving turkey might have been raised by a member of a poultry producers' co-op.

### FROM THE GROUND UP

He doesn't carry a briefcase or tap on a Blackberry all day. But make no mistake about it, hog and sheep farmer Blake Meshke of Lake Crystal, Minn., is a big-time businessman. Like the majority of America's two million farmers and ranchers, he belongs to one or more farmer cooperatives, giving him a financial stake in some of the nation's leading businesses.

Producer-owned marketing cooperatives handle, process and market almost every type of agricultural commodity, ranging from Maine blueberries to Mississippi-grown sweet potatoes to Hawaii's famed Kona coffee.

Regional cooperative Growmark, Inc. sells leading-edge farm supplies such as animal feeds, crop production inputs and fuel to help Midwest and Northeast farmers maximize production.

Fortune 500 company CHS Inc. is a cooperative that supplies energy and crop inputs as well as markets and processes members' farm-produced commodities. The co-op also offers business solutions such as insurance, risk management, transportation and enterprise consulting.

Farmer-owned grain company West Central provides inputs and processes member-grown soybeans into value-added products like premium biodiesel fuel.



Borrower-owned Farm Credit associations supply financing for more than 30 percent of the U.S. agriculture industry. Farmers, ranchers and farm-related businesses look to these institutions for dependable credit at competitive interest rates.

*Cenex fuel is one of the agricultural supplies cooperative CHS Inc. provides to members.*

Whether it's farm supplies, finance, processing or marketing—or some combination of these—earnings from these businesses are returned to their farmer members on a patronage basis, improving their income from the marketplace.

# GETTING A HOME LOAN IN A WAR ZONE



*Navy Federal Credit Union, which serves United States military personnel worldwide, is one of the nation's 8,500 credit unions.*

*Ordinary stateside events—like getting a loan for your first home—don't stop just because you're deployed to the Persian Gulf.*

That's what one Marine learned when purchasing a home for his family. The staff sergeant contacted Navy Federal Credit Union's branch office in Bahrain. There, a loan officer walked him through arranging for a mortgage long distance, including setting up a power of attorney

for his wife so she could sign papers on his behalf. With the help of his credit union, a new home now awaits the military member when he returns from his overseas assignment.

## **Finding Financial Solutions**

With more than 2.4 million members—many of whom are on active duty—finding financial solutions for an on-the-move membership is at the heart of Navy Federal's mission. Not only does it provide branch offices from Bahrain to Spain and a worldwide ATM network, Navy Federal also offers

in-depth financial services via phone and e-mail for members stationed in war zones such as Iraq.

Jennifer Sadler, public relations manager for Navy Federal says the credit union is dedicated to serving its members—whether they're overseas or stateside—by offering full financial services as well as education and counseling about money matters from managing a family budget to establishing retirement funds.

All of America's 8,500 credit unions, whether they serve the military, teachers, company employees, church groups, hospitals or other groups, are dedicated to providing high-quality, low-cost services for their members. They typically charge fewer and lower fees and lower loan rates than their competitors.

### Going the Co-op Way

More than 89 million Americans—almost one out of every three—are credit union members.

Although she's not yet six, Nanea Wall of Kona, Hawaii, is a member and already building her savings at Hawaii Community Federal Credit Union (HCFCU) in Kailua-Kona through its Youth Savings Challenge, which teaches kids about money matters.

The youth program is just one way this 70-year-old credit union honors its heritage. Formed by 10 coffee farmers who were having difficulty receiving loans and services from for-profit banks, HCFCU now provides full financial services to its more than 34,000 members and sponsors student credit unions at three Hawaii high schools.

The North Carolina State Employees Credit Union (NCSECU) developed a short-term loan program because many people in their community were using "pay day" lenders often charging over 300 percent in interest and fees. The NCSECU program charges 12 percent and includes a mandatory savings component that ultimately ends the members' reliance on the short-term loan program and breaks the cycle of debt.

With nearly \$750 billion in assets, member-owned, democratically controlled credit unions continue to meet the financial needs of millions of members in the U.S. Increasingly, credit unions also are becoming financial problem solvers for citizens in developing countries, as they, too, look to improve their economic standing.

## SERVING THE UNDERSERVED

When Hurricane Katrina mercilessly pounded New Orleans, it unleashed special fury on the impoverished Ninth Ward. Floodwaters washed away homes and businesses, carrying hope with them. A credit union is returning it.



The storm invigorated rather than dampened the efforts of ASI Federal Credit Union, which was preparing to open a branch in the neighborhood before Katrina. Displaced by the hurricane, ASI (with a nonprofit affiliate) is opening a community center, which will house a credit union branch and organizations that promote economic empowerment. The credit union will provide affordable financial services, such as checking and savings accounts and mortgages, to replace unscrupulous payday lenders.

*ASI Federal Credit Union is opening a new branch in the hurricane-damaged Ninth Ward of New Orleans.*

ASI and Self-Help Credit Union are among the nation's 225 community development credit unions (CDCUs), institutions predominantly serving low-income Americans and communities. Their mission is creating economic opportunity for those traditionally underserved by conventional financial institutions.

Self-Help supports education innovation in communities like Donna, Texas, where more than a third of families live below the poverty line and more than half of adults lack a high school diploma. A \$4 million loan helped this disadvantaged community finance a public charter school now regarded as one of the nation's best. Today, more than 90 percent of the school's students exceed federal grade level expectations.

By helping low-wealth families and communities build a solid financial foundation, CDCUs are fueling positive changes in America.

# OWNERSHIP HAS ITS PRIVILEGES



*Western Massachusetts-based Collective Copies is the nation's only worker-owned cooperative copying service.*

***Randy Zucco used to manage a chain-store copy center where he drew a small paycheck and little personal satisfaction from the experience.***

In 1998 he made a decision that changed his life. He went against the grain of the traditional business world by joining a worker-owned cooperative. Now, he—along with all of his coworkers—has the satisfaction of owning and managing the business where he works.

That business is Collective Copies, a full-service digital copying and finishing center located in

western Massachusetts and capable of serving customers throughout the world thanks to its increasingly robust Web site. It is the nation's only cooperative copying service. Experienced copy shop employees who were seeking fair wages and a healthier work environment founded the business in 1983.

## **Collective Objective**

A grandfather, a young entrepreneur, a veteran cooperative supporter, a computer whiz, a seasoned printer, a musician and even an historian are among those on the eclectic Collective Copies team. Each made an initial investment of \$250, paid in increments of \$5 per paycheck, to become a

member of the worker-owned cooperative business.

These members equally own assets ranging from a monster high-speed digital copier that spits out richly colored pages to the smallest manual stapler. They also equally share administrative, managerial, customer service and production responsibilities. Through consensus decision-making at a monthly three-hour owners' meeting, they mull the mundane, such as the cost of paper, as well as plan for progress, including the expansion of a print-on-demand book publishing service.

Each worker-owner also directly benefits from the copy center's financial success. They share a year-end distribution of profits, which prompts them to manage their business well daily.

With more than 145 years of experience and expertise between them, the Collective Copies team is managing very well. They've developed a reputation for being the copy center that can produce satisfying results even when tackling the most challenging projects. This signature brand of can-do customer service is spurring business growth. In addition to the original location in Amherst, home of the University of Massachusetts' flagship campus, Collective Copies has opened two more stores in recent years. Next on the agenda: developing e-commerce capabilities that will expand the cooperative's services to include on-line publishing and other Web-enabled programs, allowing Collective Copies to become a truly global cooperative.

### Against the Grain

Though still a relatively young concept in the United States, the notion of worker-owned businesses is catching on and bucking tradition in a variety of industries. Employees who once worked at Windows on the World, the well-known dining establishment atop the World Trade Center, now operate a successful Manhattan worker-owned restaurant called Colors. At the Pizza Collective, an offshoot of the renowned Cheese Board worker co-op in Berkeley, Calif., worker-owners earn more than \$30 per hour, reap medical benefits and enjoy four to five weeks paid vacation annually. In 2006, *USA Today* listed their pizza among the nation's top 10.

Workers own natural food businesses, too. Rainbow Grocery Cooperative and Alvarado Street Bakery in California rank among the top five worker co-ops in the U.S. in gross sales.

## BEING THE BOSS

There are at least 300 worker co-ops, owned by 3,500 workers, in America, according to the U.S. Federation of Worker Cooperatives.



One of the nation's leading worker-owned co-ops is Equal Exchange. The co-op's founder was a developer of the Fair Trade movement, where U.S.

buyers pay growers in developing nations a living wage for their products. In 1986, the founder asked his U.S. coffee distributor customers to pay coffee farmers double the going rate for beans. Today hundreds of importers pay above-market rates for premium beans in part because coffee consumers ask for certified Fair Trade products. These overseas grower co-ops use their income for worthy efforts such as opening schools and reducing child mortality.

*Coffee importer Equal Exchange is a worker-owned cooperative involved in the Fair Trade movement.*

A worker co-op on the Navajo Indian Reservation is giving previously unemployed garment workers ownership of their business. Navasew in Montezuma Creek, Utah, annually produces 250,000 shirts for the U.S. Army.

Services offered by U.S. worker-owned businesses range from health care to retail. In Madison, Wisconsin, you can buy world-class automated equipment from Isthmus Engineering and Manufacturing. If you hail a cab in Madison, your driver may be an owner of Union Cab. An employee-owner of New Orleans-based C4 Tech & Design will repair your computer. In Washington, you can get a massage from one of 35 owners of New Seattle Massage. Owners of Cooperative Janitorial Services in Ohio will clean your home, church or business.

# MAKING QUALITY HEALTH CARE AFFORDABLE



*Increasingly, Americans are discovering that member-owned and -governed cooperatives provide affordable options for quality health care, medications and insurance.*

***Jean Jantzen knows the value of a co-op. She spent most of her career working for the largest of them all, CHS Inc.***

These days, the retiree is appreciating how important a cooperative can be to her health.

She is one of the nearly 730,000 members of HealthPartners, Inc., the nation's largest consumer-governed nonprofit health care organization. The co-op provides medical and dental services and insurance coverage for members in Minnesota and western Wisconsin.

Increasingly, Americans are viewing cooperatives as avenues to affordable, quality health care. Cooperatives operate in virtually every area of the health care sector. They keep the costs of health-care services, drugs and insurance reasonable; help non-profit hospitals and locally-owned pharmacies remain independent; and improve the quality of home-based health care and assisted living.

HealthPartners excels at both affordability and member-patient care. Jean and her fellow members enjoy wellness programs geared to different life stages, visits with doctors via the Internet, a telephone service for pre- and post-pregnancy care and a free hotline answered by registered nurses.



Such services have earned the co-op the highest rankings possible from the foremost authority on health plan quality, the National Committee for Quality Assurance.

### Lowering Costs

Wisconsin employers are getting the right drugs at the right price for their employees through a co-op. Members of the Wisconsin Prescription Drug Purchasing Coalition, called WisconsinRx, jointly negotiate volume pricing on prescription drugs. At its formation, WisconsinRx covered more than 260,000 people working for Wisconsin's 350 school districts and over 200 private industry employers.

University and community hospitals are employing the co-op model to manage costs and improve their services. Institutions such as Connecticut's highly regarded Yale-New Haven Hospital are among more than 2,400 health care organizations nationwide that are members of purchasing co-op VHA Inc.

By buying through VHA, co-op members save money on supplies, drugs, devices and equipment. In its first year as a member, California's Palomar Pomerado Health saved \$500,000 on medical-surgical supplies. Another member, St. Luke's Hospital in Duluth, Minn., used the co-op's supply chain management services to realize more than \$3.8 million in cost-saving opportunities.

### Raising the Bar

VHA members also work together to make clinical improvements in areas such as heart care, operating room efficiency and medication safety. Their success is reflected in the list of winners of the 100 Top Hospitals: National Benchmarks for Success Award. Roughly 25 percent of the hospitals appearing on the list each year are VHA members.

More and more, Americans are looking to cooperatives to help beat the escalating costs of health care. But these consumer-owned and -governed businesses deliver more than just lower prices. They're driving a wave of excellence, raising the standard of health care in America.

## COOPERATIVE CARING

The U.S. Census Bureau predicts one in five persons living in the United States will be over the age of 65 by 2030. As the nation's baby boomers graduate to senior status, communities across America are facing a shortage of health caregivers, and worker-owned cooperatives are stepping in to fill the void.

In central Wisconsin's Waushara County where 20 percent of the population already qualifies as senior adults, Cooperative Care is filling the extreme gap between supply and demand for home health care. The service is cooperatively owned by home care workers and certified nursing assistants. Harvard University's John F. Kennedy School of Government has recognized the co-op for its innovative approach to rural home health care.

Worker-owned agencies such as Cooperative Care and Cooperative Home Care Associates in Bronx, N.Y., have two-fold missions that are positively affecting consumers and workers. First, they provide reliable, high-quality home health care services to individuals who are elderly, chronically ill or living with disabilities. Second, the home health aides, personal care assistants and supportive home care workers who cooperatively own these businesses are improving their wages, benefits, training and level of workplace participation.



In Raleigh, N.C. nurses are using the cooperative model as the basis for worker-owned I Am Unique Special Care and Case Management Inc. It is the nation's first nursing cooperative, offering private nursing services, in-home aid, personal care, rehabilitation and other services.

*Worker-owned agencies provide quality health care to the elderly and chronically ill in rural and urban settings.*

# CO-OP, SWEET CO-OP



*In both urban and rural settings, cooperative housing offers an affordable option for making the American Dream a reality.*

***As newlyweds in the 1970s, Doug Price and his wife set off in search of the American dream—homeownership.***

Along the way, they found Park Forest (Ill.) Cooperative, Inc., a diverse community of modestly priced townhomes arranged around lanes and courts and dotted with parks. Doug says he thought they'd stay a few years, then buy a house.

Two kids and 31 years later, Doug still lives at Park Forest and is an ardent believer in the value of cooperative housing. Why? Because of the neigh-

borhoods they create.

## **Ideal Addresses**

It was that sense of community that drew Leslie Patterson to College Houses student cooperative housing in Austin, Texas. When she started college, Leslie was looking to meet new people and have the most unique experience possible. She found that at the Pearl Street Co-op.

College Houses is more than a community. It also offers student-prepared meals and an environment for learning. As a member of the College Houses board, Leslie says she's learned skills she'll carry into her career—how to work with people,

manage meetings and understand the inner workings of a business.

For Tracy Riposo-Cook, Penn South Mutual Redevelopment Houses in the bustling heart of Manhattan has always been “home.” Recalling the summers she spent at her grandmother’s, Tracy says she loved the playground, the neighborhood and the friendly people. Today, she’s living at Penn South with her husband and three children.

As president of the Parents Committee, she works to ensure Penn South is a great place for the co-op owners’ children and visiting grandchildren. That includes a supervised after-school homework program, chess classes, an intergenerational garden, a well-stocked toddler playroom and youth recreation room.

### Answering Needs

For Doug, Leslie, Tracy and more than 1.2 million Americans, cooperatives are the best choice for their housing needs. The nation’s 7,500 housing co-ops come in every shape and size from town-homes to high-rise apartments, from senior residences to mobile home parks.

Co-op members own a share in the cooperative, which owns or controls the property where they live. These shareholders pay a monthly fee to cover expenses such as mortgages and maintenance.

Most housing co-ops are created to fill a need. In the 1950s, Penn South was sponsored by the International Ladies Garment Workers Union to provide affordable housing in New York City for its members. It’s still an oasis of affordability in a city of sky-high rents. Park Forest was developed to provide post-war housing for service members returning to the Chicago area, while College Houses was created as an alternative to dormitories and off-campus housing.

Today, in both urban and rural settings, cooperative housing continues to offer a supportive community, protection from market fluctuations and an affordable option for making the American Dream reality.

## SENIORS’ SOLUTION

On any given day, you can find Virgi Johnson laughing over coffee with her neighbors at Homestead Cooperative, volunteering in town or taking an impromptu shopping trip with friends. What you won’t find her doing is shoveling snow or worrying about the water heater.

Nearly seven years ago, Virgi bought shares in a senior housing co-op in Chisago City, Minn. The minute she saw it, she knew she’d found her home.

For Virgi and thousands of American seniors, co-op housing is the perfect blend of independence and community. And the nearly 100 co-ops nationwide are affordable for those on fixed incomes since they’re owned cooperatively by the residents.

Terry McKinley, who heads Minnesota’s Cooperative Housing Resources and the Senior Housing Network, says freedom from home maintenance draws seniors to co-ops, but the community and companionship they find keeps them there.



*Virgi Johnson, center, shares coffee and conversation with her senior housing co-op neighbors.*

Anne Sackrison, education manager for CSI Support and Development Services, says housing co-ops give seniors the opportunity to stay active and involved within a family-oriented environment. CSI is a senior mutual housing association operating residential buildings in four states for some 5,000 co-op members.

Senior housing co-ops have both urban and rural addresses, but all share the common bond of offering residents comfort, security and connections with the community. For many American seniors, they also offer an affordable housing solution.

# GETTING GOOD FOOD



*More than 500,000 Americans are consumer-owners of retail grocery cooperatives such as Washington-based PCC Natural Markets.*

*Nancy Krivanka walks slowly down the store's aisles, carefully examining items and reading labels before placing selections in her cart.*

When it comes to shopping for her family's food, this West Seattle, Wash., mother wants the best available products at a fair price. And she wants it to come from local producers who share her commitment to the environment. That's why she chooses to be a food cooperative member.

Nancy is a member of PCC Natural Markets, a consumer-owned natural food cooperative with

eight neighborhood stores in the Puget Sound region. It's nearly 40,000 members value the co-op's commitment to high-quality products grown and manufactured in an eco-friendly way.

There are about 300 U.S. retail food and grocery businesses owned and controlled by more than 500,000 members. However, the number of shoppers at retail co-op stores is much higher since membership is not required to be a customer.

## **Stocking the Shelves**

Like all food co-op members, Nancy pays a small membership fee to have a say in how her grocery store is operated, including what products are

stocked on the shelves.

Most retail food cooperatives are focused on sales of natural, organic and whole products. Shoppers at the 9,000-member Sacramento Natural Foods Co-op can buy natural vitamins, herbs and supplements; natural health and body care products; environmentally friendly cleaning supplies; and free-range meat and poultry.

At Hanover Consumer Cooperative Society, members choose to offer customers a complete selection of popular brand name groceries as well as locally produced and organic foods. At its Co-op Food Stores and Co-op Community Food Market in New Hampshire, the co-op sells fresh fish shipped regularly from New England ports, foods cooked daily in the co-op's kitchens, a large selection of ethnic foods and imported specialties, and a full-service florist.

The origin of the products they sell is important to members of La Montanita Co-op Food Market in Albuquerque, N.M. The 13,000-member cooperative buys from local producers so that members' money stays in the local economy.

### Educating Consumers

Consumer education is another hallmark of U.S. food cooperatives. Co-ops host cooking classes, hands-on workshops and health programs. Shoppers at the Wedge Co-op in Minneapolis come in for the popular What's For Supper, a program that puts a chef-created recipe, shopping list and sample of the dish in their hands. Idaho's Moscow Food Co-op keeps members informed about hot-button issues related to food and the environment through its Food Information Alert Center.

Regardless of what types of products or programs they offer, all food co-ops share a common characteristic: Rather than trying to maximize profits, they are maximizing service to their customer-owners and contributing to the economic health of their communities.

## GAINING A COMPETITIVE EDGE

ShopRite is a familiar name to grocery shoppers in the Northeast. Most of these independent supermarkets are owned and operated by families who have been in the grocery business for generations. Despite competition from regional grocery chains, club stores and discount outlets, these neighborhood grocers are succeeding. The family secret: membership in a wholesale grocery cooperative.



More than 15,000 independent supermarkets in America rely on their

co-op to secure the lowest cost and highest quality of grocery items. Owners of the 225 ShopRite stores in New Jersey, New York, Connecticut, Pennsylvania and Delaware are members of Wakefern Food Corporation. It is the largest of the nation's retailer-owned wholesale grocery cooperatives.

Grocery wholesale co-ops such as Unified Western Grocers, the largest on the West Coast, give members a competitive edge with customer-driven retailing concepts, merchandising and operational expertise, volume-buying efficiencies and financing.

Retailer-owned co-ops also own some well-known store brands. Shurfine, a recognized name on southern store shelves, is the private label of Associated Grocers of the South, Inc. More than 1,500 items representing every grocery store department bear the co-op's brand. The Midwest's Associated Wholesale Grocers, which serves nearly 2,000 stores in 21 states, packages products under the Best Choice and Always Save brands.

*Packaging that highlights the cooperative connection gives grocery co-ops a competitive edge.*

# GIVING ENTREPRENEURS AN EDGE



*Purchasing co-ops owned by independent distributors supply almost every material needed to construct a home or commercial building.*

***Dan Bleier likes being his own boss. While he cherishes his independent business status, he also champions the idea of working with others to succeed.***

The Chicago-area entrepreneur owns Able Distributors, a company selling heating, ventilation, air conditioning and refrigeration (HVACR) products. He's also a founding member of Blue Hawk, a purchasing co-op owned by independent HVACR distributors.

Dan enhances the performance and competitiveness of his family business through the group buying and shared services that come with his

purchasing co-op membership. And he's not alone. There are an estimated 300 purchasing co-ops serving 50,000 independent business owner-members across America.

## **Controlling Costs**

Purchasing cooperatives negotiate volume prices on supplies or inputs. Many also offer benefits such as warehousing, education, marketing and merchandising services and retail brand-building programs. Bundled together, the collective services help member-owners lower operating costs, better respond to competition and improve the overall performance of their businesses.

His membership provides Dan with peer networking opportunities, too. He exchanges ideas and shares problem-solving techniques with fellow Blue Hawk members.

Independent business owners in virtually every sector—from food wholesaling to funeral services—are capitalizing on the market power of purchasing cooperatives. As a result, these small business owners are creating a connection between cooperatives and the American consumers who are the end users of the products.

### Connecting With Consumers

In the construction business alone, the variety of existing purchasing co-ops owned by independent distributors could supply nearly every item needed to build a home. Blue Hawk serves 192 members who sell heating and air conditioning supplies through 852 outlets in 47 states. NEM-EON pools buying power for roofing and siding suppliers. Insulate America negotiates volume prices on insulation, WIT & Co. procures plumbing equipment, PSA Security Network handles purchases of state-of-the-art security systems and IMARK Group, Inc. takes care of electrical supplies—each for member-owners who are independent distributors. There's also a purchasing co-op, the Evergreen Marketing Group, to help members buy construction tools.

Home interiors have the co-op touch, too. Members of CCA Global Partners' Carpet One and Flooring America are full-service flooring retailers offering trend-conscious consumers brands such as Liz Claiborne Flooring and Good Housekeeping. For lighting fixtures, there's Lighting One, which has co-op member-owners in 39 states. More than 300 of the country's locally owned furniture stores purchase inventory through Furniture First Cooperative.

To help pay for it all, there's even a mortgage co-op. Lenders One is a national alliance of mortgage bankers who work in 700 locations across the country helping homebuyers secure financing.

Whether they're selling homebuilding supplies or hamburgers, savvy independent business owners are finding that working cooperatively is the key to surviving and thriving.

## FROM HARDWARE TO HAMBURGERS

Across the American business landscape, nationally branded retailers as well as mom-and-pop shops are joining purchasing cooperatives to flex buying muscle none would have on their own.



Main Street America merchants like Rollie Holden Jr. use co-op power to level the playing field between family-owned

*Purchasing co-op membership helps independent retailers compete with big chains.*

stores and their mega-retailer cousins. In his traditional neighborhood store in historic downtown Murfreesboro, Tenn., the second-generation owner of Holden Hardware Co. has merchandise ranging from screwdrivers to sleds stacked from rafted ceiling to wooden floor. Above the front door he displays a Do It Best sign, marking the store as a member of one of the nation's largest hardware purchasing co-ops. Dealer-owned wholesale hardware cooperatives Ace Hardware, True Value and Do It Best are helping nearly 15,000 American family-owned and independent retailers like Holden Hardware compete with big chains.

The daily news has its roots in cooperative America, too. Founded in 1848, the Associated Press is a news-gathering and -distribution service owned by thousands of newspapers, radio, television and online companies.

Even that Whopper picked up for lunch has co-op ties. Restaurant Services, Inc. is the purchasing agent for the majority of products and services used by its members, owners of Burger King restaurants. Unified Foodservice Purchasing Co-op LLC manages the supply chain for corporate- and franchise-owned A&W, KFC, Long John Silver's, Pizza Hut and Taco Bell restaurant outlets in the United States.

# FINANCING AMERICA'S FOOTSTEPS TO GROWTH



*NCB is a cooperative bank, meaning it is owned and governed by its customers rather than profit-oriented investors.*

***At a young age Marty O'Hara realized he wanted to follow in the footsteps of his father and grandfather.***

His desire became reality with the opening of O'Hara True Value Home & Hardware in Darien, Ill., a suburb of Chicago. He follows his grandfather who founded the family hardware business in 1940 in Ottumwa, Iowa, and his father who operates a hardware store in Albia, Iowa.

Like the generations before him, Marty operates under the True Value banner, signifying his allegiance to a powerful brand name and the purchasing coop-

erative behind it. To finance his new business, Marty also looked to the cooperative world by choosing NCB, a bank owned by its 2,600 member-customers.

NCB is among a handful of banks that are owned and governed by their U.S. customers rather than profit-oriented investors. The bank extends financing to housing, purchasing and consumer cooperatives, in addition to member-owned businesses like Marty's True Value store. Its diverse customer list also includes retailer-owned food and hardware wholesalers, franchise systems, Alaska Native and tribal entities, employee-owned businesses and other independent business- and community-focused organizations.



### Focusing on Rural Needs

While NCB is helping Marty put hardware into the hands of urbanites, CoBank focuses on rural America. The bank is a part of the \$197 billion Farm Credit System, a nationwide network of local, farmer-owned cooperative lending institutions.

CoBank specializes in financing agribusinesses as well as rural energy, water and communications systems and other businesses serving rural America. The lender provides financial solutions for customers nationwide, such as a New England milk marketing cooperative building a new dairy products manufacturing plant and a Rocky Mountain school district needing funding to offer educational Internet services.

The bank's agribusiness customers process, market, transport and export products ranging from flowers to fish. Among its customers is a company known for the color and beauty it brings to America's lawns and gardens.

### Backing the Blooms

Each spring, seas of magenta, white, purple and red petunias form a floral welcome mat fronting giant retail stores. This is the colorful calling card of CoBank customer Bonnie Plant Farms, a division of Alabama Farmers Cooperative. The farmer-owned company is one of the nation's largest sellers of vegetable plants, herbs and flowers. It supplies major home and garden retailers, including Wal-Mart, Home Depot and Lowe's, in 48 states. The thriving business depends on CoBank for its seasonal operating funds.

Cooperative financial institutions like NCB, CoBank and the National Rural Utilities Cooperative Finance Corporation bolster the U.S. economy by going where many investor-held banks won't. They pump billions of dollars into urban neighborhood stores as well as small-town businesses. They're providing the financial means for rural and cooperative business owners like Marty to follow in some very important footsteps.

### ON THEIR SIDE

It was the most powerful tornado to hit American soil in eight years. After the giant tornado's 200 mile-per-hour winds drilled its deadly path across Greensburg, Kansas, the only business left was a concrete grain elevator. For many of this farming community's 1,600 residents, seeing the Southern Plains Cooperative elevator standing defiantly amidst the rubble was a sign of hope.

Just hours after the category F5 tornado, Mark Whalen, a commercial claims adjuster for Nationwide Agribusiness Insurance, arrived to help members resurrect their co-op business. Southern Plains is a policyholder-owner of the mutual insurance company.



The producer-owned grain elevator is among an estimated 20 million policyholders that cooperatively own their insurance provider.

Nationwide Insurance, CUNA Mutual Insurance Group and Amalgamated Life Insurance are among several hundred U.S. mutual insurers operating by cooperative principles and in policyholder-owners' best interests.

Caring most about his policyholders, the Nationwide representative went to work to get Southern Plains Cooperative back on its feet. He helped set up temporary offices and hired the co-op's employees to help clean up the site, assuring each would continue receiving paychecks. With the assistance of the insurance company it owns, Southern Plains Cooperative was partially back in business just days after the disaster and in time for the wheat harvest.

## POWER TO THE PEOPLE



*Attired in ceremonial dress, members of the Alutiiq tribe memorialize a community leader who helped bring electricity via Alaska Village Electric Cooperative to their Kodiak Island village.*

***It's 57 degrees at the height of summer in Old Harbor on Alaska's Kodiak Island.***

Fewer than 200 residents, mostly Native Alaskans of the Alutiiq tribe, live in this fishing village nestled along the sheltered waters of Sitkalidak Strait. This is the lifelong home of teacher Phyllis Clough, who was five years old when Alaska Village Electric Cooperative (AVEC) introduced power there in 1968.

More than 4,000 miles southeast is the Atlantic coast home of Sharon Laney. The Summerville,

South Carolina, business owner can't remember the last time it snowed there nor has she ever lived a day without electricity. As the July temperature spikes near 90 degrees, she enjoys air-conditioned comfort powered by Berkeley Electric Cooperative.

Despite differences defined by distance and environment, these women share the kinship of being customer-owners of a rural electric cooperative. Theirs is a big club; an estimated 39 million Americans get their electricity through a co-op.

**Powering the Last Frontier**

There are more than 900 rural electric cooperatives in the U.S. providing power to about 75

percent of the nation's land mass. This includes the far-flung AVEC, which serves villages with populations ranging from 88 to slightly more than 1,000. These 52 geographically diverse and remote villages throughout interior and western Alaska represent a service area about the size of Texas, Oklahoma, Kansas and Nebraska combined. It is larger geographically than any electric cooperative in the world.

Establishing and maintaining power to improve life in Alaska's tiny communities is difficult. Only one of the villages AVEC serves is accessible by road, meaning diesel fuel and power system equipment arrives by barge or airplane.

### Keeping Up With Growth

With 75,000 current customer-owners and about 3,000 new members joining annually, Berkeley's membership ranks among the country's largest. The annual membership meeting attracts more than 30,000 attendees—the nation's highest for a rural electric cooperative.

The co-op's service area includes three counties surrounding tourism-charged Charleston. Affordable, reliable electricity is one of the attractions transforming this once-rural area into suburbs packed with new residential neighborhoods, new infrastructure such as schools and hospitals, and retail centers. Standing at the front door of her commercial printing business, Laney can see the growth with which her cooperative is working to keep pace. A Super Wal-Mart, Lowe's and Home Depot are among the big-box businesses that are her new neighbors on Highway 17A.

From the Deep South to north of the Arctic Circle, from remote villages to burgeoning suburbs, cooperatives are bringing power to the people and enhancing the quality of life in the communities where they live.

## WASTE INTO WATTS

Across the nation, electric cooperatives are a leading force in developing renewable energy technologies. Sources from wastes to wind are fueling green power initiatives to produce environmentally conscious, affordable energy.

Many co-ops are turning waste into watts. Wisconsin's Dairyland Power Cooperative is tapping "cow power" with farm-based facilities converting manure into energy. Wyoming co-ops are generating bio-power from hog farm manure. In Georgia where the \$13.5 billion poultry industry creates waste disposal challenges, co-ops are supporting a poultry litter-to-energy plant. It produces enough power for 15,000 homes.

East Kentucky Power Cooperative is digging into landfills for environmentally friendly electricity. It converts methane from decaying matter in landfills to electricity for 12,500 homes.

South Dakota's East River Electric Power Cooperative is diversifying their energy portfolio with waste-heat recovery. Hot, pressurized exhaust from the 1,200-mile Northern Border natural gas pipeline is tapped as low-cost energy with zero emissions.

Western Farmers Electric Cooperative is harnessing one of Oklahoma's most abundant natural resources for energy. The co-op powers more than 20,000 homes with wind energy harvested from the 45-turbine Blue Canyon Wind Farm.



Many electric cooperatives' "green" portfolios include solar and hydroelectric projects. Others are experimenting with various biomass materials in the continuing quest for clean electricity.

*Co-ops are harnessing wind energy to power homes.*

# BACK TO SCHOOL



*Students from preschool to middle school attend the nation's cooperative schools—educational institutions owned and governed by parents with the common goal of enriching the learning experience.*

***Karen Schwarz describes her children's school as being much like a comfortable old shoe: It fits just right.***

Her children, Jack, 14, and Barbara, 10, began attending the K-8 Burgundy Farm Country Day School in Alexandria, Va., as kindergarten students. Burgundy Farm is one of the nation's cooperative schools, educational institutions owned and governed by parents who share their resources to enrich students' learning experiences.

By enrolling their children in cooperatively structured schools such as Maryland's Greenbelt Nursery School and Atlanta's Oakhurst Cooperative Preschool, parents become members of the co-op. This membership sends parents like Karen and husband Jeffrey back to school.

## **The Co-op Difference**

Cooperative school parent-members are expected to participate in every part of the school's operation: governance, finance, curriculum, administration, assisting in classrooms, publicity, fundraising, maintenance and housekeeping. At Burgundy Farm, Jeffrey is a member of the board of directors

while Karen serves on fundraising and scholarship committees. Other co-op members handle tasks such as facility repairs and school grounds maintenance.

“Sweat equity” enables many co-op schools to provide high-quality education at modest cost. Perhaps more importantly, it provides a sense of ownership for both students and parents, which is truly the cooperative difference, Karen says.

Parents also opt for the cooperative concept because it provides some things mainstream schools do not. First, co-op schools are, by their very nature, a close-knit community. By taking an active role at the school, parent-members are intimately involved with their children’s educations and get to know their friends, their friends’ parents and teachers.

Most co-op preschools also educate parents on early childhood development, another key difference from standard preschools. At California’s Cotati-Rohnert Park Co-op Nursery School, parents meet monthly in the evening to share in management decisions and learn positive parenting skills.

Though educating children ages three to five is predominantly the focus of parent-owned co-ops in the U.S., there are some elementary and middle co-op schools. Burgundy Farm and Stevens Cooperative School in New Jersey are examples of schools providing instruction through eighth grade.

### Fulfilling Needs

Cooperatives are also providing an answer to the nation’s shortage of quality child care for working parents. Member-owned child care businesses provide a quality environment for infants as well as before- and after-school care. A joint survey by Parent Cooperative Preschools International and the National Cooperative Business Association estimates there are about 1,000 cooperative preschool and child care agencies in the U.S.

From coast to coast, the cooperative model is being applied to child care, preschool, elementary and middle schools. For parents seeking quality care and education options for their children, cooperative membership is a good fit.

## A+ ADVANTAGE

From preschools to universities, cooperatives are improving classroom experiences and helping administrators better manage budgets.

Public school systems across the nation have established education service cooperatives to maximize the use of taxpayer dollars. In Arkansas, there are 15 of these purchasing and shared-service cooperatives providing support to member school districts. The co-ops provide professional development opportunities for teachers and administrators and act as a consortium for purchasing services and supplies. The cooperatives also provide technical computer support services to schools.

The cooperative model is also helping schools meet federal “No Child Left Behind” guidelines. The RISE Special Services Cooperative in Indiana serves special education students in 41 member schools in four school districts. The co-op provides programming and related services for more than 4,500 students with disabilities.



More than 1,500 tax-exempt colleges, universities, prep schools and similar institutions are customer-owners of Educational & Institutional Cooperative Service, Inc. Members get lower prices on furniture, computers and electronics, maintenance, food service, office products, as well as transportation and delivery service via their buying co-op.

Members of fraternities and sororities at places like Penn State University and University of Minnesota are also embracing cooperative purchasing. The Fraternity Purchasing Association (FPA) negotiates vendor volume pricing on food, supplies, equipment and services for member organizations.

*Cooperatives are helping public and private schools better meet educational goals.*

# KEEPING AMERICA CONNECTED



*Montana rancher Rick Jarrett relies on his telecommunications cooperative to keep him connected to potential customers.*

## ***Rick Jarrett is no high-tech nerd. He's a fifth-generation Montana rancher.***

But he uses the latest technology, provided by his local telecommunications co-op, to bring in additional income and share his way of life.

Rick is a founding member of Montana Bunkhouses Working Ranch Vacations. A few weeks each year, he welcomes guests to his 4,500-acre Crazy Mountain Cattle Company near Big Timber where they participate in chores such as working cattle by horseback. The guest program gives Jarrett a chance to communicate with non-rural consum-

ers, who often find they share more in common with ranchers than they might think.

The rancher relies on Triangle Telephone Cooperative Association, Inc. to help him stay in touch with potential guests. The co-op recently installed a high-speed Internet connection for him.

Each of Montana Bunkhouses' 15 ranches offers a different experience. Guests riding the range with Kathy and Scott Wiley, who raise beef in the Bull Mountains near Musselshell, might spot elk, antelope, deer and wild turkeys.

Kathy also counts on a telecommunications co-op, Mid-Rivers Telephone Cooperative, Inc., to make the bunkhouse business work. A year ago,

Mid-Rivers connected the Wileys to the Web via WildBlue satellite. The high-speed wireless link expedites sending out pictures, directions and other information to guests.

### Meeting Customer Needs

Co-ops like Mid-Rivers and Triangle, with 25,000 and 10,500 members, respectively, continue to improve rural communication. Telephone cooperatives across the nation are diversifying in order to offer their members a wide array of communication and technology services, including high-speed Internet, satellite and cable TV, VoIP (Voice over Internet Protocol), cell phone service and long distance connections. In a 2006 member survey by the National Telecommunications Cooperative Association, 100 percent of those responding now offer broadband to at least part of their territory.

Many telecommunications cooperatives look to another co-op to help them finance the upgrades and expansions needed to keep consumers happy. The 500-member Rural Telephone Finance Cooperative is a borrower-owned cooperative that provides financing to rural telephone companies. The lender is affiliated with the National Rural Utilities Cooperative Finance Corporation, which finances construction and upgrade projects for many of the country's rural electric cooperatives.

Local co-ops can't always shrink the digital divide by themselves. Together, 1,400 telephone and electric cooperatives and other rural businesses own the National Rural Telecommunications Cooperative, which delivers cable television, DIRECTV, WildBlue, and now IPTV, which will bring all digital television signals to your computer via the Web.

Back at the ranch, Rick is busy welcoming guests who first read about his business via the Montana Bunkhouses Web page. Long after they're gone he'll continue to be in touch via e-mail. Thanks to his telecommunications co-op, he's keeping the lines of communication wide open between rural Americans and their city cousins.

### CO-OPS ADD .COOP

In 2002, cooperatives got a new way to communicate the co-op difference. That's when the .coop Internet address became available, joining .com, .org and other domains.

More than 4,000 U.S. cooperatives have purchased the option since it was created, reports the National Cooperative Business Association, a reseller of .coop domains in the U.S. Since each .coop owner is verified as a co-op or co-op organization, using the domain is a cost-effective way to promote their member-owned identity online. It also reminds people that co-ops are businesses you can trust—down the road and on the Internet.

Savvy users such as the University Student Housing Association of the University of California-Berkeley promote [www.usca.coop](http://www.usca.coop) to help students find affordable housing. The Inter Cooperative Council at the University of Michigan uses their [www.icc.coop](http://www.icc.coop) to lease housing and manage member communication.



Organic Valley Cooperative now imprints each carton of its dairy products with [www.organicvalley.coop](http://www.organicvalley.coop). Organic Valley has changed all of its packaging, business cards and letterhead to include its new .coop address.

*Organic Valley Cooperative displays its .coop address on retail packaging..*

All types of co-ops, from agricultural to worker, now wave the .coop flag. About half of U.S. electric co-ops, including Powder River Energy Corporation in Wyoming, use the domain. U.S. food cooperatives, such as Mountain People's Market Co-op in Morgantown, W.Va., count about 75 percent of their ranks as having .coop addresses, too.

# SOURCES

The writers wish to thank the following organizations and individuals for contributing statistics, providing interviews and assisting in the collection of other information for this publication.

## CHAPTER 1—AGRICULTURE

American Crystal Sugar Company, Moorhead, Minnesota  
Associated Milk Producers Inc., New Ulm, Minnesota  
Blue Diamond Growers, Sacramento, California  
Cabot Creamery, Montpelier, Vermont  
CHS Inc., Inver Grove Heights, Minnesota  
CROPP Cooperative (Organic Valley), LaFarge, Wisconsin  
Dairy Farmers of America, Kansas City, Missouri  
Florida's Natural Growers, Lake Wales, Florida  
Growmark, Inc., Normal, Illinois  
Land O'Lakes, Inc., St. Paul, Minnesota  
Blake Meshke, Lake Crystal, Minnesota  
Mississippi Center for Cooperative Development,  
Jackson, Mississippi  
National Council of Farmer Cooperatives, Washington D.C.  
National Grape Cooperative (Welch's) Inc, Westfield, New York  
Ocean Spray, Lakeville-Middleboro, Massachusetts  
Riceland Foods, Stuttgart, Arkansas  
Sunkist Growers, Sherman Oaks, California  
Sun-Maid, Fresno, California  
The Farm Credit Council, Washington, D.C.  
Sabra Townsend, Indianapolis, Indiana  
West Central Cooperative, Ralston, Iowa

## CHAPTER 2—CREDIT UNIONS

ASI Federal Credit Union, Harahan, Louisiana  
Pablo DeFilippi, National Federation of Community  
Development Credit Unions, New York, New York  
Hawaii Community Federal Credit Union, Kailua-Kona, Hawaii  
National Association of Federal Credit Unions,  
Arlington, Virginia  
Self-Help, Raleigh, North Carolina  
Steve Rick, Credit Union National Association, Inc.,  
Madison, Wisconsin  
Jennifer Sadler, Navy Federal Credit Union, Merrifield, Virginia  
Marta Trinkl, Credit Union National Association, Inc.,  
Washington, D.C.

## CHAPTER 3—WORKER

Association of Arizmendi Cooperatives, Inc.,  
Oakland, California

C4 Tech & Design, New Orleans, Louisiana  
Collective Copies, Amherst, Massachusetts  
Cooperative Janitorial Services, Cincinnati, Ohio  
Equal Exchange—Fairly Traded Gourmet Coffee, West  
Bridgewater, Massachusetts  
Isthmus Engineering & Manufacturing Co-op,  
Madison, Wisconsin  
Navasew, Montezuma Creek, Utah  
New Seattle Massage, Inc., Seattle, Washington  
Rainbow Grocery Cooperative, Inc., San Francisco, California  
Union Cab of Madison, Madison, Wisconsin  
U.S. Federation of Worker Cooperatives,  
San Francisco, California  
Randy Zucco, Collective Copies, Amherst, Massachusetts

## CHAPTER 4—HEALTH CARE

Cooperative Care, Wautoma, Wisconsin  
Cooperative Home Care Associates, Bronx, New York  
HealthPartners, Minneapolis, Minnesota  
I Am Unique Special Care and Case Management, Inc.,  
Raleigh, North Carolina  
Jean Jantzen, Inver Grove Heights, Minnesota  
U.S. Census Bureau  
VHA Inc., Irving, Texas  
Wisconsin Rx, Madison, Wisconsin

## CHAPTER 5—HOUSING

Naomi Goldstein, PennSouth Mutual Redevelopment  
Houses, Inc., New York, New York  
Homestead Cooperative, Chisago Lakes, Minnesota  
Terry McKinley, Senior Cooperative Foundation,  
St. Paul, Minnesota  
National Association of Housing Cooperatives,  
Washington, D.C.  
Park Forest Cooperative Birch Street Townhomes,  
Park Forest, Illinois  
Leslie Patterson, College Houses, Inc., Austin, Texas  
Doug Price, Park Forest, Illinois  
Tracy Riposo-Cook, New York, New York  
Alan Robinson, College Houses, Inc., Austin, Texas  
Anne Sackrison, CSI Support and Development Services,  
Warren, Michigan



## CHAPTER 6—FOOD

Associated Grocers of the South, Inc., Birmingham, Alabama  
Associated Wholesale Grocers, Inc., Kansas City, Kansas  
Hanover Consumer Cooperative Society, Inc.,  
Hanover, New Hampshire  
Trudy Bialic, PCC Natural Markets, Seattle, Washington  
Nancy Krivanka, West Seattle, Washington  
La Montanita Food Co-op, Albuquerque, New Mexico  
Moscow Food Co-op, Moscow, Idaho  
National Cooperative Grocers Association, Iowa City, Iowa  
Sacramento Natural Foods Co-op Inc., Sacramento, California  
Unified Western Grocers, Inc., Los Angeles, California  
Wedge Community Co-op, Minneapolis, Minnesota  
Wakefern Food Corporation, Elizabeth, New Jersey

## CHAPTER 7—PURCHASING

Ace Hardware Corporation, Oak Brook, Illinois  
Dan Bleier, Able Distributors, Chicago, Illinois  
Blue Hawk Cooperative, Phoenix, Arizona  
CCA Global Partners, Earth City, Missouri  
Do It Best Corp., Fort Wayne, Indiana  
Furniture First Cooperative, Harrisburg, Pennsylvania  
Rollie Holden, Holden Hardware Co., Murfreesboro, Tennessee  
IMARK Group, Inc., Oxon Hill, Maryland  
Insulate America, Shelby, North Carolina  
NEMEON, Inc., Tempe, Arizona  
PSA Security Network, Broomfield, Colorado  
Restaurant Services, Inc., Coral Gables, Florida  
The Evergreen Marketing Group, Carrollton, Texas  
True Value Company, Chicago, Illinois  
Unified FoodService Purchasing Cooperative, LLC,  
Louisville, Kentucky  
Wit & Co., Ltd., Decatur, Illinois

## CHAPTER 8—FINANCE & INSURANCE

Amalgamated Life Insurance, New York, New York  
CoBank, Greenwood Village, Colorado  
CUNA Mutual Insurance Group, Madison, Wisconsin  
Mary Dundics, NCB, Washington, D.C.  
Karen DiVincent, CoBank, Greenwood Village, Colorado  
Doug Graham, Nationwide Mutual Insurance Company,  
Columbus, Ohio  
Catherine Merlo, The Merlo Company, Bakersfield, California  
Marty O'Hara, O'Hara True Value Home & Hardware,  
Darien, Illinois  
Nationwide Mutual Insurance Company, Columbus, Ohio

True Value Company, Chicago, Illinois.

## CHAPTER 9—ELECTRIC

Berkeley Electric Cooperative, Moncks Corner, South Carolina  
Phyllis Clough, Old Harbor, Alaska  
Dairyland Power Cooperative, La Crosse, Wisconsin  
East Kentucky Power Cooperative, Winchester, Kentucky  
East River Electric Power Cooperative, Inc.,  
Madison, South Dakota  
Green Power EMC, Tucker, Georgia  
Sharon Laney, Summerville, South Carolina  
Amy Murphy, Alaska Village Electric Cooperative,  
Anchorage, Alaska  
National Rural Electric Cooperative Association,  
Arlington, Virginia  
Oklahoma Electric Cooperative, Inc., Norman, Oklahoma  
Touchstone Energy Cooperatives, Arlington, Virginia  
Tri-State Generation & Transmission Association, Inc.,  
Westminster, Colorado  
U.S. Department of Energy, Washington, D.C.  
Walton Electric Membership Corporation, Monroe, Georgia  
Western Farmers Electric Cooperative, Anadarko, Oklahoma

## CHAPTER 10—EDUCATION & CHILDCARE

Arkansas Department of Education, Little Rock, Arkansas  
Cotati-Rohnert Park Co-op Nursery School, Cotati, California  
Educational & Institutional Cooperative, Jericho, New York  
Fraternity Purchasing Association Cooperative,  
State College, Pennsylvania  
Greenbelt Nursery School, Greenbelt, Maryland  
Natalie Hall, Burgundy Farm Country Day School,  
Alexandria, Virginia  
Inter-Cooperative Council, University of Michigan,  
Ann Arbor, Michigan  
Leta Mach, Parent Cooperative Preschools International,  
Greenbelt, Maryland  
Oakhurst Cooperative Preschool, Atlanta, Georgia  
RISE Special Services, Indianapolis, Indiana  
Karen Schwarz, Alexandria, Virginia  
Stevens Cooperative School, Hoboken, New Jersey

## CHAPTER 11—COMMUNICATIONS & TECHNOLOGY

Rick Jarrett, Crazy Mountain Cattle Company,  
Big Timber, Montana

Karen Searle, Montana Bunkhouses Working Ranch Vacations  
LLC, Livingston, Montana

Kathy Wiley, Wiley Ranch, Musselshell, Montana

Mid-Rivers Telephone Cooperative Inc., Circle, Montana

Triangle Telephone Cooperative Association Inc.,  
Harve, Montana

National Telecommunications Cooperative Association,  
Arlington, Virginia

National Rural Telecommunications Cooperative,  
Herndon, Virginia

Organic Valley Cooperative, LaFarge, Wisconsin

Robin Reed, Rural Telephone Finance Cooperative,  
Herndon, Virginia

Matt Rhoades, National Rural Utilities Cooperative Finance  
Corporation, Herndon, Virginia

Triangle Cooperative Service Company, Enid, Oklahoma

University Students' Cooperative Association,  
Berkeley, California

Inter Cooperative Council, University of Michigan,  
Ann Arbor, Michigan

Powder River Energy Corporation, Sundance, Wyoming

Mountain People's Market Co-op, Morgantown, West Virginia

### GENERAL

NCB Co-op 100® 2006, NCB, Washington, D.C.

"Co-ops 101," Donald A. Frederick, United States Department  
of Agriculture Rural Development, Washington, D.C.

"Seven Cooperative Principles," [www.co-opmonth.coop](http://www.co-opmonth.coop)

"What are Cooperatives?" [www.co-opmonth.coop](http://www.co-opmonth.coop)

Nadine Miller, Land O'Lakes, Inc., St. Paul, Minnesota

### PHOTO CREDITS

Page 8: Mark Johnson, CHS—Land O'Lakes

Page 9: David Lundquist, CHS—Land O'Lakes

Page 12: Courtesy Collective Copies

Page 17: Patricia Miller, Laughing Cat Communications

Page 18: Courtesy PCC Natural Markets

Page 19: Courtesy National Cooperative Grocers Association

Page 22: Courtesy NCB

Page 23: Courtesy Nationwide Insurance

Page 24: Meera Kohler, Alaska Village Electric Cooperative

Page 28: Courtesy Crazy Mountain Cattle Company

Page 29: John Seymour-Anderson, Triangle Park Creative





For more information about cooperatives contact the National Cooperative Business Association at:

1401 New York Ave, NW, Suite 1100  
Washington, DC 20005  
Phone: 202-638-6222 • Fax: 202-638-1374  
Email: [ncba@ncba.coop](mailto:ncba@ncba.coop) • [www.ncba.coop](http://www.ncba.coop)